

Using the internet as a global business opportunity

[Business](#)



In terms of global business, the internet is a fascinating innovation.

With an infinite amount of new opportunities, it is the stepping stone between the business of the twentieth century and the business of the twenty first century. By offering an opportunistic link between different nations, the internet eases the demands of international business. The internet provides an international market for some companies that could not otherwise deal internationally, lowers the cost involved in maintaining a business, and provides a market for otherwise unmarketable goods. These factors facilitate and reconstruct business, but can also create some problems. Establishing an international market is essential to businesses today.

Without the internet, though, many companies would have trouble doing so. By making products available online, a company can sell to consumers overseas, where a retailer may not be available. This widens the market, creating new opportunities for any given company. Also, the internet makes international communication easier between a company and its customers. For example, a page on a small company's website describing frequently asked questions can ease the issues of differing time zones and language barriers.

Then again, there are a few major problems concerning the use of the internet in international business. It is complicated for a business in the United States to find customers globally, to figure out how to market to other countries, and to appeal to the interests of other nations. A possible solution to these problems is to use the internet as an advantage. Technologies such

as online video conferencing and instant communication create a simple, cost effective way to contact customers and employees overseas. Using the internet in global business also lowers the costs involved in maintaining a business. Expenses such as start-up costs, rent, employee salaries, and purchasing inventory are all very costly and detrimental to any business.

But with the help of the internet, these costs can be lowered. For example, instead of opening a new store in order to expand a company, the internet provides the opportunity to create an online business, selling to customers around the world. This eliminates the price of rent and employee salaries. Also, the Long Tail theory proves that having a business online allows for more inventory to be held at one time. It suggests that because stores only stock what is most popularly sold, online businesses, such as Amazon and iTunes, can hold much more.

This way, certain products do not have to be created until they are ordered, saving the company excess production costs. The only major problem with online business lowering costs is the actual technological problems of the internet. If the website is slow, ruins customer transactions, or does not display all of the information, it can hinder, not help, the company's profits. To solve this, companies must experiment with several different servers and hire technology consultants to assure that their website will work. Finally, the internet provides a marketplace for otherwise unmarketable goods.

Companies like eBay create a market for such products. The internet is a great place for those looking for certain items that cannot be found in stores. Specific collectors' items, antiques, and used products can, with the help of the internet, be more easily accessed and more marketable. Auctions,

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something that one had to be present at before, now take place online, making it easier for potential buyers. A setback, though, is that some goods may not be marketable at all, and attempting to create a market online for such goods would be a disadvantage to a company. In order to prevent this from happening, companies must research the current market for these goods, and decide whether or not it would be worth the venture to establish a market.